



GDOT Publications

Policies & Procedures

Policy: 6863-10- Inclusion of Utility Adjustments in Construction Contracts

Section: Preconstruction Procedures

Office/Department: Office of Utilities

Reports To: Division of Operations

Contact: 404-631-1000

Utility relocations and/or adjustments may be included in the highway contract if the Utility Owner so desires and if the request is received early enough in the project development process to be incorporated in the Project Plans. If the Department has a prior agreement to pay the 'Local Governments' adjustments it would be beneficial for the sake of coordination to incorporate the work into the Project Plans. Also, if the Department has a prior agreement to pay the 'Local Governments' adjustments, approval is typically conditioned on inclusion of the work into the construction contract (see [Utility-Aid guidelines - 6863-11](#)).

In either circumstance, whether the Utility Owner is providing the funding (Case 1 – see requirements below) or whether the Department is providing the funding (Case 2 –see requirements below), an execution of a signed Memorandum of Understanding (MOU) will be required to provide a clear understanding of the requirements of the Utility Owner for approval of the work and of any materials or services to be furnished by the Utility Owner. (For example, some cities and counties prefer to do their own testing and sterilization of water lines). The MOU will be handled through the District Utilities Office. Execution of a Contract Item Agreement (CIA) will also be required when the Utility Owner is to reimburse the Department for the utility work, including any betterment items. Detailed plans, estimate, and any Special Provisions are required to be submitted with the CIA request.

Case 1 – Contract Item Agreement (CIA): If the Utility Owner requests that their relocations and/or adjustments be included in the project contract, the procedures outlined below will be followed:

1. The District Utilities Office will send a letter of request and recommendation to the State Utilities Office and will copy the responsible Design Office.
 - a. The appropriate Design Office Head and the State Utilities Engineer will be responsible for determining the practicality of the recommended procedure.
 - b. The State Utilities Office will be responsible for notifying the District of the acceptability of the proposal.
2. The District Utilities Office will request plans and a detailed estimate from the Utility Owner and send them three (3) copies of a MOU to be signed.
 - a. A copy of the MOU, any comments and recommendations of the District Engineer, and a copy of any related correspondence will be furnished to the Design Engineer/Project Manager.
 - b. Three copies (3) of the MOU with original signatures from the Utility Owner will be sent to the State Utilities Engineer.
 - i. The State Utilities Engineer will sign on behalf of the Department, retain a copy and return two (2) copies to the District Utilities Office for distribution.
3. All utility plans and the estimate prepared by a Utility Owner, or their consultant, will be submitted to the District Utilities Engineer for review and verification of cost.
 - a. The submitted estimate must use current GDOT pay item numbers; special pay item numbers must be established through the Office of Bidding Administration.

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- b. For verification, the Department will only submit the plans and quantities, as submitted by the Utility Owner or their consultant, to one of the Department's 3.10 consultants to certify that the utilities cost estimate are comparable in price range (within 5% price range, utilizing the lower cost of the two estimates, plus 10% overage in the agreement) to current market prices.
- c. Prior to letting, a Contract Item Agreement (CIA) will be developed to reflect the Utility's maximum cost responsibility.
 - i. If bids are higher than the agreed upon amount, then GDOT would absorb any remaining costs, as long as major plan changes (utility plans only) are not required during construction or during the bidding period.
- 4. Once the amount of the CIA is agreed to, the District Utilities Office will forward the utility plans and the final estimate to the appropriate Design Office Head/Project Manager for inclusion in the highway plans and proposal and will copy the State Utilities Engineer.
 - a. After award of the construction contract, the State Utilities Office will:
 - i. Send a copy of the CIA Authorization letters to the Utility Owner.
 - 1) If the Utility Owner is responsible for any portion of the relocation work, the CIA will be handled similarly to other reimbursement agreements.
 - ii. Send the CIA to the Utility Owner for execution and copy the District.
 - iii. Authorize the CIA by sending one (1) original to the Utility Owner along with a request for funds based on the agreement amount.

Case 2 – Utility Aid: If a Utility Owner requests Utility Aid and said request is approved, their relocations and/or adjustments will be required to be included in the project contract and the following procedures will be followed:

- 1. The District Utilities Office will send a letter of request and recommendation to the State Utilities Office with a copy to the responsible Design Office.
 - a. The appropriate Design Office Head and the State Utilities Engineer will be responsible for determining the practicality of the recommended procedure.
 - b. The State Utilities Office will notify the District of the acceptability of the proposal.
- 2. Unless, as part of the Utility Aid, approval includes utilizing the Department's 3.10 Consultant to develop the plans and estimate, the District Utilities Office will request plans and detailed estimate from the Utility Owner and send them three copies of a MOU to be signed.
 - a. The estimate must use GDOT pay item numbers; ~~or~~ special pay item numbers must be established through the Office of Bidding Administration.
 - b. A copy of the MOU, any comments and recommendations of the District Engineer, and a copy of any related correspondence will be furnished to the Design Engineer/Project Manager.
 - c. Three (3) copies of the MOU with original signatures from the Utility Owner will be sent to the State Utilities Engineer.
 - i. The State Utilities Engineer will sign on behalf of the Department, retain a copy and return two copies to the District Utilities Office for distribution.
 - d. After award of the construction contract, the State Utilities Office will send a copy of the MOU with any CIA Authorization letters to the Utility Owner.
- 3. All utility plans and estimates prepared by a Utility Owner or their consultant will be submitted to the District Utilities Engineer for review
 - a. The District Utilities Engineer will forward the submittal to the appropriate Design Office Head/Project Manager for inclusion in the highway plans and proposal and will send a copy to the State Utilities Engineer.

4. The Utility Owner will be responsible for any cost that is classified as betterment or split cost. After award of the construction contract, the State Utilities Office will send a request for funds based on the actual contract bid amounts to the Utility Owner.

References:

None.

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